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**BOWLES, BURKE TOUR OFFSHORE LNG SITE BY HELICOPTER**

***Energy & Environment, Public Safety Secretaries Highlight Safe, Innovative Delivery System and \$23.5 million in Mitigation Funds to Aid Fisheries and Marine Environment***

BOSTON – Returning to land after a US Coast Guard helicopter tour of the first offshore liquefied natural gas (LNG) terminal under construction off the coast of Gloucester, Energy and Environmental Affairs Secretary Ian Bowles and Public Safety Secretary Kevin Burke praised the innovative technology that will deliver natural gas to the region far from populated areas and whose only visible manifestation will be an LNG tanker floating on the water as it feeds gas into a pipeline under the surface.

“Massachusetts relies on natural gas for both home heating and power generation, and this offshore delivery system – the first to be installed on the Eastern seaboard – promises to bring us the gas we need in a way that is safe and has little impact on the environment,” said Secretary Bowles. “It is a significant technological achievement, and a welcome addition to the region’s energy supply.”

“My primary concern is safety, and nothing could be safer than delivering LNG 13 miles from land,” said Secretary Burke. “These offshore LNG ports are a big improvement over land-based terminals when it comes to public safety.”

Located in Massachusetts Bay 13 miles southeast of Gloucester, Northeast Gateway – the first of two deepwater ports for delivery of liquefied natural gas – is expected to be operational by December, in time for the winter heating season. Northeast Gateway is a project of Excelerate Energy and Algonquin Gas Transmission. Construction began in late May.

At Northeast Gateway, an Excelerate LNG carrier will dock with one of two subsurface buoys anchored permanently offshore. The LNG will be returned to its gaseous state aboard the ship and delivered to the buoy, which flows the natural gas to a pipeline buried in the floor of the bay, and from there to Algonquin’s HubLine pipeline to serve New England markets.

“I’m extremely pleased to say that we are on schedule to be delivering much needed natural gas to New England by the end of this year,” said Rob Bryngelson, Executive Vice President and Chief Operating Officer for Texas-based Excelerate Energy. “I also want to thank all of the people in the government and on the project team for all of the hard work over the last three years that got us to this point.”

The proponents of Northeast Gateway have also made most of their payments on a mitigation package of \$23.5 million to benefit commercial fishermen, improve marine habitat, and protect marine mammals. These payments include:

- \$6.3 million to the Gloucester Fishing Community Preservation Fund
- \$1.7 million to commercial lobstermen
- \$5.3 million to the Island Alliance for improving access to Boston Harbor Islands
- \$3.0 million to the Office of Coastal Zone Management for seafloor mapping and habitat characterization
- \$3.25 million for acoustic buoys to detect North Atlantic right whales and alert vessels to their presence; Northeast Gateway will also provide long term maintenance for the buoy system.

“We’re beginning a new era where the energy needs of the Commonwealth will require fishing interests to coexist with the deepwater LNG ports. That recognition led to funding for the Gloucester Fishing Community Preservation Fund, which is a concept that will provide recurring benefits to the fishing community for years to come,” said Vito Giacalone, president of the Fund.

In addition, Northeast Gateway contributed \$2 million to low-income energy assistance and conservation in 2007, and \$2 million will be contributed in 2008 as well.

A second offshore LNG terminal is expected to be built in the same vicinity a year later. The Neptune project, developed by Suez LNG North America, will provide an identical set of mitigation payments once construction begins.

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